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Brief to the Interministerial Policy Forum

AMO's Responses to
The Report of the Provincial-Municipal Social Services Review
and
Strategies for Change: Comprehensive Reform of Ontario's Long-Term Care Services

Association of Municipalities of Ontario
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MISSION STATEMENT

AMO unites Ontario's municipalities.

We take pride in promoting, supporting and enhancing strong and effective municipal government.

We provide strategic leadership by:

- developing and effectively promoting responsive quality policy;
- informing and educating governments, the media and the public;
- marketing innovative and beneficial services.

Our elected representatives, municipal officials and association staff form a team which values and respects:

- diversity and local autonomy;
- fairness and equity;
- consultation;
- consensus;
- co-operation.

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1 REPORT ON THE INTERMINISTERIAL POLICY FORUM

Background

The following Brief was presented to the provincial government at an Interministerial Policy Forum on December 11, 1990. The following is a summary of the main issues raised at the forum. The Ministers in attendance were as follows:

Evelyn Gigantes	Minister of Health
Zanana Akande	Minister of Community and Social Services
Elaine Ziemba	Minister of Citizenship, with responsibility for Human Rights, the Disabled, Seniors, and Race Relations
Dave Cooke	Minister of Municipal Affairs
Floyd Laughren	Deputy Premier and Treasurer of Ontario

General Comments on the Interministerial Forum

The overall tone of the meeting was positive; Treasurer Floyd Laughren, on behalf of the Ministers, expressed appreciation for the opportunity for discussion and AMO's commitment to a government partnership approach. He made it clear that the province wants to ensure that its use of the word "partnership" is not rhetoric.

Long-Term Care Reform

<u>Province to Proceed with Implementation of *Strategies for Change*</u>

Both Evelyn Gigantes, Minister of Health and Zanana Akande, Minister of Community and Social Services stated the provincial government's intent to proceed with implementation of long-term care reforms. They expressed the urgency to act soon but also the need to provide vehicles for further thinking, consultation and changes. Therefore, the province will not "withdraw" *Strategies for Change* nor allow consultation to stall implementation. However, the Ministers proposed that a process be established for municipal input so that implementation does not compromise municipal concerns, to work on long-term care reform together and for "consultation during implementation".

Direction to Managers of Community Health and Support Services Division

The Ministers acknowledged that community consultation was happening in an ad hoc manner and that direction needs to be provided to the 14 Community Health and Support Services Division Managers. In response to AMO's request that the area managers approach municipalities first about community consultation, the Minister of Community and Social Services suggested a meeting with all of the managers to discuss how implementation should proceed and the municipal role and involvement in this process.

Direction from Province as to Municipal Role and Involvement

The AMO delegates requested that in addition to clarifying with the managers how the community consultation process should proceed, a formal provincial statement is required on the role of municipalities in long-term care reform.

District Health Councils (DHCs)

The Minister of Health acknowledged AMO's concerns about the role of DHCs in planning and funding decisions for health and social services and indicated that *Strategies for Change* is not clear as to what the DHCs role is in long-term care reform. She expressed that if they were to become part of long-term care reform then their make-up and mandate would have to be reformed. The Minister indicated that she will be reviewing this issue and requested that AMO submit its concerns and thoughts about DHCs.

Rest and Retirement Homes

Minister Elaine Ziemba indicated that the inquiry recently formed by the province to investigate unregulated residential facilities will also be looking at rest and retirement homes. This inquiry will report in approximately six months and then a decision will be made about the inclusion of these homes in long-term care reform.

Report of the Provincial-Municipal Social Services Review

Province's Response

Both Zanana Akande, Minister of Community and Social Services and Floyd Laughren, Treasurer indicated that they were not prepared to respond to the *Report of the PMSSR* until after January 1, 1991.

Ms. Akande indicated that with respect to the *Report of the PMSSR*, "changes will be made".

AMO Recommendations on Financial Responsibility for Social Assistance

Treasurer Floyd Laughren stated that he agreed in principle that there should be movement towards greater provincial responsibility for social services and that social assistance should not be funded from the property tax base. He stated he could not make further commitments today but that the recent announcements on changes to welfare rates should send a "sign" to municipalities about the province's intention to assume greater financial responsibility. Finally, the Treasurer acknowledged municipal financial concerns but noted that the province is also in a financial crunch.

AMO representatives stressed several times and gave the Ministers fair notice of the results of the current financial difficulties facing municipalities - that is, many municipalities are being forced to cutback on discretionary social service programs (no take-up of additional day care spaces and perhaps reductions; cutbacks on hostels; cutbacks on employment programs, etc).

Broader Restructuring of Provincial-Municipal Relationship

Next Steps Committee

The purpose of this Committee was clarified for the Treasurer. AMO's president discussed the proposal with Premier Bob Rae that a joint senior staff committee should be immediately struck consisting of two representatives each from AMO, the Ministry of Municipal Affairs, and the Ministry of Treasury and Economics. The committee would develop a small number of alternative scenarios for a fundamental reform of the provincial-municipal financial relationship. AMO has recommended that this committee resolve financial issues related to the proposed realignment of roles and responsibilities for social services within the

context of the overall provincial-municipal fiscal relationship.

The Treasurer indicated that it seems logical to have such a process established after the release of the *Report of the Advisory Committee on Provincial-Municipal Financing Matters* but that he will have to discuss this further with the Minister of Municipal Affairs.

Fair Tax Commission

The Treasurer described the provincial government's proposed structure for the Fair Tax Commission. He emphasized that this will be a consultation process on reform of the tax system and not a means of "stalling" the process of financial reform. Municipal taxation will be included as part of the study which will not follow a "royal commission model" but a "collaborative model". There will be a central commission with working groups reporting to it - e.g. one on corporate tax, another on municipal tax, etc. The provincial government will be looking for municipal sector representatives in this process.

Mr. Laughren noted that if the "Next Steps Committee" happens then we need agreement on how this will relate to the Fair Tax Commission; however, he noted that this does not mean we will not be able to move on the implementation of some financial reforms prior to the completion of the Fair Tax Commission.

2 INTRODUCTION

The Association of Municipalities of Ontario (AMO) is pleased to have the opportunity for this in-depth policy discussion with the Ministers involved in social services. As the subject of this first interministerial policy forum with the new provincial government AMO has chosen to present the Association's response to two major reports released by the previous provincial government: The *Report of the Provincial-Municipal Social Services Review (PMSSR)* and *Strategies for Change: Comprehensive Reform of Ontario's Long-Term Care Services.*

PMSSR: A Partnership Approach

The *Report of the PMSSR* is the result of the work of a joint Ministry of Community and Social Services

(MCSS), AMO and Ontario Municipal Social Services Association (OMSSA) committee which reviewed the existing relationships between the province and municipalities with respect to the delivery and funding of social services and made proposals for a more rational framework of responsibilities. The PMSSR is the first comprehensive review of the management of Ontario's social services system. It also represents a partnership approach between municipalities and the province to work out a more rational framework for their respective roles and responsibilities for the management, funding, delivery and planning of social services. AMO has appreciated the opportunity for early involvement in this review, and is committed to continued co-operation towards improving Ontario's social service system.

AMO would also like to acknowledge the NDP government's commitment in its speech from the throne to govern with a sense of partnership. The statement that "no partnerships are more important than those with local governments" clearly relays a message of cooperation and consultation. While the speech from the throne did not suggest how the province intends to fulfil this commitment, in this *Brief,* AMO makes several recommendations for implementing this commitment.

Long-Term Care Reform: Wither Municipalities?

Despite this positive and successful partnership approach, municipalities were very disappointed when the previous government released its policy paper for long-term care reform, *Strategies for Change*, without any consultation with the municipal sector, and with many proposals which contradict the principles and recommendations set out in the *Report of the PMSSR.*

AMO and many municipalities have voiced to the previous government, and now to the new Minister of Community and Social Services, their concern with this lack of consultation and have requested that the new Minister, the Honourable Zanana Akande, withdraw *Strategies for Change* and re-issue it as a discussion paper. AMO believes that this undertaking will provide municipalities and the new government an opportunity to re-establish the partnership approach which began in the PMSSR process. AMO's responses to the *Report of the PMSSR* and *Strategies for Change* therefore propose a process to achieve this and to work together with the new government towards providing a high quality, efficient, accessible, and accountable system of social services for the people of Ontario.

Social Services: One of AMO's Top Three Priorities

A new framework for social services is one of the top priorities of the Association of Municipalities of Ontario. Social services as a priority means there must be a clear designation of roles and responsibilities between the province and municipalities. Wherever possible roles should be disentangled. Municipalities are committed to remaining major participants in the system, but, as represented in the *Report of the PMSSR* they want to be involved in programs and services that are appropriately and actively managed at the local level.

Need for Reform: Disentanglement and Accountability

Municipalities believe that a better system of services which is publicly accountable can be achieved through a disentanglement of roles and responsibilities. This means that municipalities want to contribute financially only to those programs and services which are appropriately managed and funded at the local level so that they will be accountable only for services over which they have substantial control.

Fundamentally, AMO's goal in a review of provincial-municipal roles and responsibilities is to link decision-making authority with financial responsibility. Ultimately, this means that the level of government which has responsibility for legislation and policy development for a service should then also have responsibility for management and funding with municipal involvement and delivery being optional. In AMO's review of the *Report of the PMSSR* the Association has used this goal as a principle against which to evaluate the proposed PMSSR framework of responsibilities. The Association believes that its recommendations represent a step towards achieving this ultimate goal.

Social Service Reform in the Context of the Overall Provincial-Municipal Relationship

Throughout this document reference is made to the numerous concurrent reviews affecting provincial-municipal roles and responsibilities: Long-Term Care Reform (*Strategies for Change*), the soon to be released report of the *Advisory Committee to the Minister of Municipal Affairs on Provincial-Municipal Financing Matters*, AMO's report, *New Dimensions*, etc. AMO's position is that a process needs to be established for bringing all of these reviews together and that reform of the social services system must be looked at in the broader context of the overall provincial-municipal financial relationship. This means that a fundamental restructuring of the provincial-municipal relationship is

required and that a piece-meal approach to responsibilities is inappropriate.

Need for Reform: Rising Municipal Social Service Costs

AMO has, in policy papers and presentations to the provinicial government in recent years, clearly established the fact that, in general, the municipal sector has a limited capacity to fund social service programs and in particular open-ended, needs-based programs such as General Welfare Assistance. The limited capacity is a direct result of the fact that the property tax system, with its inherent limitations and inability to reflect true "ability to pay", is an inappropriate source of revenue to fund open-ended, income redistributive programs which are fundamental to our social services system. The current situation is a case in point. Over the past year welfare caseloads and expenditures have increased dramatically across the province. These increases are not related to municipal ability to pay and consequently have placed an increasing strain on municipal budgets and forced many municipalities to reduce expenditures on, and involvement in, discretionary community-based social service programs needed by their constituents. AMO believes that this situation cannot continue and steps must be taken as soon as possible to provide some relief to municipalities for the current financial demands of rising social assistance costs.

Brief: Highlights Primary Recommendations

This *Brief* highlights the main positions and recommendations of the Association on the two reports. Accompanying this submission are the full reports and detailed responses.

As the full reports demonstrate, AMO has numerous recommendations and proposals for both of the documents. It is clear that we can not present and discuss all of these recommendations nor expect answers from the new government today. However, the Association has highlighted several primary recommendations on which the Association would like to focus discussion and receive a response from the Ministers at this interministerial policy forum. These are indicated in hatched text boxes and summarized following the discussion of the Association's response to each of the documents.

Priorities for Reform

In this *Brief*, AMO also establishes priorities for reform. The Association would like to emphasize the need to begin the process of implementation and to establish the

necessary steps to set reforms in motion. Many of the recommendations for reform contained in the *Report of the PMSSR* have been studied and discussed sufficiently to warrant action. AMO also wants to stress to the new government that financial reform of the social services system cannot be delayed to the final outcomes of further analysis and discussions. The PMSSR Committee also expressed this sense of urgency in it's report. As you are already aware, many of Ontario's municipalities are facing dramatic increases in social assistance costs which are forcing them to cut back on other social services to their constituents. Action must be taken now.

3 *REPORT OF THE PROVINCIAL-MUNICIPAL SOCIAL SERVICES REVIEW*

AMO has organized its response by first reviewing the framework for the social services system proposed in the *Report of the PMSSR*. This involves a review of the PMSSR principles and the bases for assigning roles, responsibilities and funding. Following this, AMO then states its position on the main PMSSR recommendations for assigning provincial-municipal responsibilities for social services. The last two sections include AMO's position on the proposed new approach to social services planning and the Association's recommendations for implementation.

3.1 PMSSR Principles

1. The provincial government and the municipal sector have joint responsibility for managing the social service system to maximize its effectiveness and efficiency.
2. Each party's roles and responsibilities should be clear and consistent with the capacities of the level of government that assumes them.
3. Authority should be commensurate with responsibility and accountability.
4. There should be a balance between equity in Ontario's social service system and the need for flexibility at the local level.
5. Community involvement is an essential component of the planning and management of the social service system.
6. Planning and coordination of services must be promoted and increased.
7. Consultation should characterize all relationships within the system.
8. Fiscal realism should be recognized as an important factor in decision-making.

The *Report of the PMSSR* proposes eight fundamental principles which underlie the proposed framework for provincial-municipal responsibilities in social services. The *Report* recommends that these principles should continue to be used by the province and the municipal sector in the future as issues arise. Given that the principles are the basis for the *Report's* recommendations and are proposed for future use, AMO has reviewed these and put forward a position on each. AMO agrees with most of the principles and in particular would like to highlight the following:

Principle 2: Clear Roles and Responsibilities

"Each party's roles and responsibilities should be clear and consistent with the capacities of the level of government that assumes them."

AMO supports this principle which expresses that roles and functions need to be clearly delineated so that all parties involved understand who is responsible for what. And, municipalities should only be assigned responsibility for programs which do not require that the province exercise total authority. For example, in AMO's report *New Dimensions*, the Association states that funding for a service should not be based on the municipal property tax if the municipality is strictly the administrative agent for a service which is mandatory and strictly regulated by the provincial government. Municipalities are committed to remaining participants in the system, but they want to be involved in programs and services that are appropriately and actively managed at the local level.

Principle 3: Authority and Accountability

"Authority should be commensurate with responsibility and accountability."

This is closely related to the previous principle in that once responsibilities are assigned to the appropriate level of government then that party should have authority to deal with those issues for which they will be held responsible -- they must have influence over decisions on those matters. Secondly, if the social services system is to be accountable to the public then politicians must have influence over decisions in order "to account" to the public for their actions. AMO states this in *New Dimensions*, that for political accountability, there must be a logical relationship between the amount of municipal control in providing a service and the degree to which the municipal property tax base supports that service.

AMO's Proposed Amendments to PMSSR Principles

AMO proposes amendments to three of the PMSSR principles as follows.

Principle 1: Responsibility for Social Services System

"The provincial government and the municipal sector have joint responsibility for managing the social service system to maximize its effectiveness and efficiency."

AMO has been consistent in its assertion that overall responsibility for social services rests with the province. As government partners in the social services system, municipalities are committed to a role which capitalizes on the unique assets of local governments such as proximity to service recipients, and knowledge of local needs and conditions. However, the municipal sector's role must also reflect both the limitations of local governments to fund social services from a tax base not related to income and the necessity that most social services require universal standards of provision and accessibility.

AMO recommends that the term "joint responsibility" used in the principle should be changed to clearly define provincial and municipal roles:

The provincial government has primary responsibility for the overall social services system and the municipal sector is committed to cooperating in the planning, administration and delivery of services in order to maximize the effectiveness and efficiency of the system.

Principle 5: Community Involvement

"Community involvement is an essential component of the planning and management of the social service system."

The *Report* states that the purpose of community involvement is to ensure that local circumstances and needs are considered in the planning, development and provision of social services and that because of the diversity of municipalities the means of achieving community involvement may vary.

AMO has stated that a meaningful role for the municipal sector and all other bodies with planning interests now demands that a formal model for local planning be put in place. It also has supported a process which would encourage full public participation in deliberations. However, in accordance with the recognition that municipal governments are best able to

reflect the needs of their overall communities, the definition of "community involvement" should be more specific in recognizing that the elected municipal council should be the focus for community consultation and planning:

Community involvement, which is an essential component of the planning and management of the social service system, should be focused on the elected municipal council.

Principle 8: Fiscal Realism

"Fiscal realism should be recognized as an important factor in decision-making."

In the *Report of the PMSSR*, as part of the methodology of financial analysis, the previous provincial government introduced its zero-sum strategy which states that proposed funding changes should not result in the provincial or municipal government having to pay an increased proportion of overall social service costs. While the *Report* does not make a direct connection between the principle of fiscal realism with the zero-sum strategy, the Association believes that this is one possible interpretation. Therefore, AMO has proposed the following rewording to this principle:

Fiscal realism should be recognized as an important factor in decision-making and this should be defined within the overall provincial-municipal fiscal relationship including the principle of disentanglement and not just within the budget of the Ministry of Community and Social Services.

AMO's position on the zero-sum strategy is elaborated in a later section of this *Brief*.

3.2 Basis for Assigning Roles and Responsibilities

The *Report of the PMSSR* establishes a framework for the social services system for assigning provincial and municipal roles and responsibilities. AMO would like to first respond to this framework prior to reviewing the assignment of roles and responsibilities.

The proposed framework has three main components:

- The differentiation of responsibilities by breaking them down into three roles: legislation and policy development; service management; and, delivery.

- The definition of five service envelopes: children's services; income and employment support services; facility-based care for persons with developmental disabilities; child care; and community-based support services.

- The identification of specific characteristics attributed to effective service management: integrated service approach; clarity and disentanglement; local authority or provincial regulation; community-based delivery; and, experience and success.

AMO would like to highlight a few of these characteristics of effective management which are of particular interest to municipalities.

Clarity and Disentanglement

This characteristic echoes the principles AMO highlighted previously; municipal governments are looking for a disentanglement of responsibilities so that they will be accountable only for services over which they have substantial control. Municipalities want the authority to manage both the quantity and quality of services for which they are responsible, and they want to be guaranteed sufficient revenue to manage properly. This requires the assignment of clear responsibilities and a disentangling of roles.

Local Authority or Provincial Regulation

Municipalities should only be responsible for those services for which local adaptation and control is appropriate. Services whose quality and quantity are heavily regulated by the province should be a provincial management responsibility.

AMO's Position on PMSSR Framework

AMO agrees with the PMSSR basis for assigning roles and responsibilities and believes it is appropriate to use this basis in analyzing and developing specific recommendations for a new provincial-municipal relationship in social services.

3.3 Basis for a New Funding Framework

The *Report of the PMSSR* proposes five "characteristics of effective funding" to serve as a basis for a new funding framework: linking service management authority and financial responsibility; provincial regulation with local flexibility; acknowledgment of municipal fiscal capacity; simplification of funding formulas; and, formal mechanisms for future provincial-municipal consultation. AMO would like to emphasize the following:

Linking Service Management Authority and Financial Responsibility

AMO supports this characteristic which states that municipalities should cost-share only those services over which they have substantial authority. To ensure that cost-sharing and authority are linked, there should be a relationship between service management and financial contribution.

Provincial Regulation with Local Flexibility

Provincial guidelines should allow sufficient latitude for substantial local management control over both service development and costs. Also, provincial resources must be provided to match the level of provincial regulation. For example, if the province chooses to enforce a high level of standards in a program, it should provide sufficient resources to implement those standards across Ontario.

Municipal Fiscal Capacity

AMO would like to stress that municipal ability to pay for social services must be recognized and the fact that across Ontario there is variable ability to pay among municipalities due to differences in tax bases and level of need.

AMO's Position on Basis for Assigning Funding Responsibility

The Association of Municipalities of Ontario agrees with the "Basis for Assigning Funding Responsibility" as stated in the *Report of the PMSSR*. However, the Association rejects the "methodology of financial analysis" as represented in the former provincial government's zero-sum strategy and endorses the municipal position put forward by its representatives on the PMSSR Committee as stated in the *Report of the PMSSR*. Basically, that the municipal sector believes it should contribute less overall to social services and that municipalities do not want to be tied to paying a fixed

percentage of an ever-increasing financial obligation over which they have limited control.

In developing an alternative "methodology of financial analysis" the Association recommends consideration of the following:

- The municipal sector is not looking for massive intergovernmental transfers but rather for adjustments to the current imbalance in the provincial-municipal financial relationship in social services.

- The need to acknowledge the limited capacity of the municipal sector in general to pay for open-ended programs based on need such as general welfare assistance.

- The limitations of the property tax which make it an inappropriate source of revenue to fund social services. The tax is inflexible to changing needs; it is unresponsive to increased demands during periods of declining economic performance; it is insensitive to the generation of income; and, it does not relate predictably to an ability to pay, often requiring proportionally greater demands on the less wealthy municipalities than on the wealthy. Therefore, in terms of capacity, AMO believes that municipalities' ability to finance social services is severely constrained and therefore the funding responsibility for social services should be shifted off the property tax base and into the provincial realm where access to a larger, more progressive, revenue base exists.

- The municipal sector cannot accept the existing costs for social services which continue to increase as a percentage of total municipal expenditures.

Finally, AMO's position is that the assignment of new municipal funding and management responsibilities should occur in conjunction with the development of a revenue-sharing agreement, an essential pre-requisite for continued municipal cost-sharing of social services. AMO believes this is necessary to ensure that municipalities have sufficient revenue to manage properly.

AMO would like the Ministers to respond today to the recommendation that the zero-sum strategy imposed by the previous provincial government on the Provincial-Municipal Social Services Review be rejected thereby acknowledging the potential for a reduction in municipal contributions to social services.

3.4 Assigning Roles and Responsibilities

Legislation and Policy Development

AMO agrees that legislation and policy development for the social services system should ultimately be the responsibility of the Ministry of Community and Social Services. However, in fulfilling this responsibility the Province must also accept that this requires consultation with other participants in the system, particularly municipalities, and that this consultation should be focused on the elected municipal council. However, effective consultation with the municipal sector cannot occur after policies and legislation have already been drafted.

Assignment of Provincial Service Management and Funding Responsibilities

The *Report of the PMSSR* assigns management responsibility to the province for the following service envelopes:

Children's Services

Child Welfare
Child and Family Intervention
Young Offenders, etc.

AMO agrees that the Ministry of Community and Social Services should provide service management and 100 per cent of the costs for the entire envelope of children's services.

Income Support Services

General Welfare Assistance
Family Benefits Allowance
Supplementary Aid
Special Assistance

AMO agrees that the Ministry of Community and Social Services should provide service management and 100 per cent of the costs of allowances and benefits for a new integrated income support program. On the cost-sharing of administration, AMO continues to support its position represented in the *Report of the PMSSR* that the province fund 100 per cent of these costs. Based on the principle of disentanglement, AMO believes that municipalities should not cost-share services over which they have no management authority.

Employment Support Services

Provincial Employment Programs
Vocational Rehab. Services
Sheltered Workshops
Municipal Employment Programs

AMO agrees that the Ministry of Community and Social Services should manage employment support services for income support clients. AMO does not agree with the *Report of the PMSSR*'s proposal that in the longer term municipal service management should be considered. AMO therefore recommends that the province assume 100 per cent of the costs of employment support services for income support clients including the costs of administration.

Facility-Based Care for Persons With Developmental Disabilities

Schedule I and II Facilities

AMO agrees that the Ministry of Community and Social Services should retain service management responsibility for facility-based care for persons with developmental disabilities and should continue to fund 100 per cent of the costs of these facilities. Since institutions within this category are being phased out or down-sized and replaced with community-based accommodations and support services, this envelope is gradually shrinking. AMO proposes that the funds currently spent by the provincial government on these facilities should be re-allocated to ensure that there is sufficient funding for community-based support services for those individuals who are de-institutionalized.

Assignment of Municipal Service Management Responsibilities

As noted previously, AMO supports linking municipal service management with municipal cost-sharing. Through the PMSSR process municipal governments sought a disentanglement of responsibilities so that they will be accountable only for services over which they have substantial control.

The recommendations for municipal service management responsibility raise two fundamental issues: a concomitant "required" financial contribution; and uncertainty as to the degree of management authority that municipalities would effectively have given the legislative and policy setting role of the province. The latter is of particular importance in light of one of the basic principles AMO supports in the *Report of the PMSSR*: "Authority must be commensurate with responsibility and accountability." If municipalities are to be held accountable for their actions and allocation of dollars for a service, then they must have clearly defined roles and responsibilities and have the authority to make decisions for the service.

The two envelopes for which municipal management responsibility is recommended are

described to illustrate these fundamental issues.

Child Care Services

Centre-Based Care
Private Home Care
Subsidies
Support Services

The *Report of the PMSSR* recommends the assignment of service management responsibility to municipalities for all child care services within their jurisdictions.

In the past, AMO's position has been that child care should be a provincial responsibility in that it should become an "essential" social program for which a minimum level of child care service should be legislated across the province. It is therefore with some concern that the Association now evaluates the proposal to assign municipalities management responsibility for this envelope.

First, even in the context of the previous government's lack of commitment to greater availability and supply of child care, the Association questioned the level of provincial regulatory control and the possible decision-making authority municipalities would have as managers. Without a clear statement as to how municipal management authority would be defined in a new provincial Child Care Act it is difficult to fully assess the service management implications.

Second, in light of the new government's support for an expansion of child care spaces, provision of more subsidized spaces, and a move towards universal and province-wide accessibility to child care, it is even more uncertain as to the possible scope of municipal management and decision-making responsibility.

Endorsement of the recommendation for municipal service management responsibility for the child care envelope requires that municipalities must be assured that they will be able to be effective managers. If municipalities are to assume this responsibility, as noted in the *Report of the PMSSR*, then it is important that municipalities have a voice in the ongoing revision of provincial regulations and directions that will govern their management of child care. There must be mechanisms whereby municipalities can influence the development of the parameters within which they will operate, and there should be consultation before the introduction of new regulations or policies affecting child care.

AMO suggests it is necessary to re-examine the PMSSR recommendations for this service envelope in

order to assess the implications of the new provincial government's policy on child care and its impact on municipalities assuming management responsibility for these services. Therefore, AMO recommends further consultation in the form of a provincial-municipal working group to resolve these issues prior to AMO endorsing the recommendation for municipal management of child care.

> AMO would like the Ministers to respond today to the recommendation for further consultation on management responsibility for child care in the form of a provincial-municipal working group.

Community-Based Support Services

Accommodation with Care
(e.g. Homes for the Aged)
Transitional Care
(e.g. halfway houses)
Emergency Housing
(e.g. hostels)
Home-Based Care
(e.g. homemakers services)
Community/Family Support
(e.g. Elderly Persons' Centres)
Counselling
Information and Referral

The *Report of the PMSSR* recommends the assignment of service management responsibility to municipalities for all community-based support services in their jurisdictions.

The future of programs within the community-based support services envelope is also uncertain. The understanding reached by the PMSSR Committee on the community-based support services envelope was established on the basis of the existing configuration of social services for the elderly and physically disabled. However, without any consultation with municipalities, *Strategies for Change* was released by the previous provincial government; it proposes reform of long-term care services, several of which are contained in the community-based support services envelope. AMO has begun to explore the impacts of long-term care reform on this envelope of services with its membership and with Ministry staff; it is apparent that much remains to be worked out in this area prior to endorsement of municipal management responsibility.

AMO suggests it is necessary to re-examine the PMSSR recommendations for this service envelope which may lead to further negotiations with the province in accordance with the proviso contained in the PMSSR Report Recommendation 20:

> Any proposed change in the long-term care system that would substantively affect the municipal service management of

community-based support services should be subject to further discussions between the Ministry of Community and Social Services and the municipal sector.

In accordance with this position, AMO's response to *Strategies for Change* recommends deferral of consideration of responsibilities for managing, funding, and planning long-term care services to the PMSSR process. Therefore, AMO recommends further consultation in the form of a provincial-municipal working group to resolve these issues prior to AMO endorsing the recommendation for municipal management of community-based support services.

> AMO would like the Ministers to respond today to the recommendation for further consultation on management responsibility for community-based support services in the form of a provincial-municipal working group.

Assignment of Municipal Funding Responsibilities

AMO recommends deferral of the PMSSR recommendations for municipal funding responsibility for the child care and community-based support services envelopes. This recommendation is based on the following considerations:

- As described earlier, AMO has recommended further consultation to resolve issues related to the assignment of municipal management responsibility for these envelopes.

- The proposals for new cost-sharing formulas put forward in the *Report of the PMSSR* were restricted to recommending changes within a zero-sum framework for the social services system. Consequently, it can be assumed that both the assignment of management responsibility to municipalities and the concomitant assignment of a cost-sharing contribution were influenced by this criterion. With AMO's rejection of the zero-sum framework it is therefore necessary to establish an alternative funding framework.

- In establishing an alternative funding framework we will soon have access to a set of recommendations for comprehensive financial

reform; just as the PMSSR process proposed a rationalization of responsibilities and cost-sharing within the social services system, the report of the *Advisory Committee to the Minister of Municipal Affairs on Provincial-Municipal Financing Matters* extends this to the full realm of provincial-municipal responsibilities.

- Finally, a major concern to AMO is that the financial data used as a basis for analysis in the *Report of the PMSSR* is inaccurate in its reflection of present municipal expenditures and out-of-date particularly in light of the proposed long-term care reforms, the implementation of SARC reforms, and the rising social assistance costs experienced in the past year.

Therefore, AMO proposes the following interim funding arrangements for these envelopes.

Child Care Services

The assignment of funding responsibility for child care services should remain unchanged until management responsibility is resolved. During the developmental stages of a new provincial Child Care Act the status quo should therefore be maintained. In the future, however, if these services are to come under municipal service management, then consideration could be given to adjusting cost-sharing at that time along with the development of a revenue-sharing act, an essential prerequisite for municipal management and funding responsibility for this envelope.

Community-Based Support Services

The assignment of funding responsibility for all community-based support services should remain unchanged until management responsibility is resolved. During resolution of issues related to long-term care reform the status quo funding arrangements prior to the capping of extended care beds should therefore be maintained. In the future, however, if these services are to come under municipal service management, then consideration could be given to adjusting cost-sharing at that time along with the development of a revenue-sharing act, an essential prerequisite for municipal funding responsibility for this envelope.

3.5 Basis for a New Planning Approach

The *Report of the PMSSR* recommends that an effective planning process should include the following: coordination of planning for service envelopes; collaboration amongst key players; links to the broader system of human services planning; and provincial directions and local flexibility. Responsibility for a *Community Social Services Plan* would be municipal governments at the level of regions and counties and where these municipal structures do not exist the most appropriate community planning structure should be determined.

AMO agrees with the PMSSR basis for a new planning approach and believes it is appropriate to use this basis in developing specific recommendations for a new municipally-focused comprehensive and integrated process for human service planning in regions, counties and districts of the province. Pending resolution of the responsibility and cost-sharing for this function, as an interim measure, this should be funded on an 80% provincial and 20% municipal basis. This funding arrangement will permit those municipalities wishing to initiate a planning process to proceed in assuming this role and function as soon as possible.

3.6 Implementation of a New Provincial-Municipal Framework of Roles and Responsibilities

As proposed throughout the previous pages, much remains to be resolved prior to the adoption and implementation of a final framework of provincial-municipal responsibilities. As pointed out, many of these outstanding issues are related to the fact that several reviews affecting provincial-municipal programs and roles and responsibilities have been occurring simultaneously: the *Report of the Provincial-Municipal Social Services Review*, Long-Term Care Reform (*Strategies for Change*), the Premier's Council on Health Strategy, AMO's report *New Dimensions*, the soon to be released report of the *Advisory Committee to the Minister of Municipal Affairs on Provincial-Municipal Financing Matters*, etc.

"Next Steps Committee"

AMO raised its concern about these numerous concurrent reviews to the previous government at its meeting with Cabinet in May 1990 and at a subsequent meeting in June with the Ministers of Municipal Affairs and Treasury and Economics. The then Minister of Municipal Affairs, the Honourable John Sweeney, proposed a "Next Steps Committee" to address the proposals and implications of these various initiatives.

AMO's president recently confirmed with the Premier of Ontario, the Honourable Bob Rae, that such a joint senior staff committee will be immediately struck consisting of two representatives each from AMO, the Ministry of Municipal Affairs, and the Ministry of Treasury and Economics. The committee will develop a small number of alternative scenarios for a fundamental reform of the provincial-municipal financial relationship. AMO recommends that this committee resolve financial issues related to the proposed realignment of roles and responsibilities for social services within the context of the overall provincial-municipal fiscal relationship.

> AMO would like the Ministers to respond today to the recommendation for referral of PMSSR funding issues to a "Next Steps" committee.

Implementation Does Not Have to Occur as a "Package"

The PMSSR Committee expressed the necessity that its recommendations be implemented as a package in order to maintain the "balance" arrived at in the PMSSR. It furthermore recommended that only once an agreement has been reached to move ahead with a new framework, as a package, then an implementation team should be established by the province to work out detailed planning, including staging.

In response, AMO requests that the new government recognize that the PMSSR "balance" was one sought within a zero-sum framework within the social services system. AMO has alternatively put forward in the past, and now in response to the *Report of the PMSSR*, that creating a more just system of provincial-municipal roles and responsibilities is necessary towards rectifying inequitable funding arrangements which currently rely on an inappropriate revenue source, the municipal property tax, and that this

should be viewed as a fundamental step in correcting a current "imbalance" in the provincial-municipal financial relationship. Secondly, AMO has requested that the zero-sum strategy imposed by the previous government be rejected and not serve as the methodology for financial reform of the social services system. AMO therefore rejects that implementation must occur as a package in order to maintain a "balance".

AMO therefore recommends that an implementation team should be struck to begin developing an implementation process for those recommendations that both AMO and the province support.

> AMO would like the Ministers to respond today to the recommendation for an agreement to proceed on the establishment of an implementation team.

Priorities for Reform

AMO believes that sufficient evidence and support already exist for removing the funding responsibility for social assistance off the property tax base -- both *Transitions: the Report of the Social Assistance Review Committee* and the *Report of the PMSSR* recommend this.

Secondly, in the speech from the throne the Province has indicated it will continue to implement social assistance reforms (SARC). AMO would like to stress that reforms implemented to date have placed increasing burden on many municipalities while the stage of SARC reforms which would offer financial relief is yet to be implemented -- that is, the transfer of full funding responsibility for social assistance to the province.

Finally, AMO also believes that steps must be taken as soon as possible to provide some relief to municipalities for the current financial demands of rising social assistance costs which are creating considerable financial hardship for many municipalities and forcing some to cease funding local discretionary social services programs needed by their constituents. AMO therefore proposes the following as it's initial priorities for the implementation of social services reform:

1. That the provincial government move towards assuming 100% of the costs of income support services as soon as possible.

2. That in conjunction with the next provincial budget, the provincial government assume 100% of the funding responsibility for the children's services envelope.

> AMO would like the Ministers to respond today to the proposed initial priorities for the implementation of social services reform.

4 *STRATEGIES FOR CHANGE*

AMO's comments on *Strategies for Change* are submitted in the context of the current provincial-municipal relationship, including the existing legislative requirements for mandatory municipal involvement in certain services. This response to *Strategies for Change* does not address the possible reassignment and/or realignment of roles and responsibilities in the context of the wider provinicial-municipal relationship. As discussed previously and later in this response, AMO recommends that such considerations should be made in the context of the Provincial-Municipal Social Services Review.

AMO's response to *Strategies for Change* focuses on the two main components of the proposed long-term care reforms: the reform of long-term care services and the establishment of an integrated health and social services management structure.

4.1 Reform of Long-Term Care Services

With regards to long-term care services, AMO recognizes that reform of the system is needed, that the integration of health and social services for the elderly and disabled is a necessary step, and it applauds the provincial government for beginning to address this area.

But despite being legislative and historical partners with the provincial government, and despite the intention to devolve responsibility to the local level in the future, municipalities were not consulted or involved in the development of the reforms proposed in *Strategies for Change*.

Municipalities have much to offer towards assisting in the success of long-term care reform. In addition to their involvement in funding, delivering, and planning for services, local governments have great knowledge of local needs and requirements and expertise in the human service needs of their communities. They can contribute towards making long-term care reform a success.

The main concern of the Association is that the policies for long-term care reform were determined prior to any consultation with the municipal sector. As noted in the introduction to this *Brief*, AMO has already requested that the new government withdraw *Strategies for Change* as a policy paper and re-issue it as a discussion paper to enable input and effective consultation with all the key players in the long-term care system. We are aware of the numerous similar requests from individual municipalities and other provincial associations for this action. AMO's response is seen as a first step towards this further discussion and consultation with the provincial government.

> AMO would like the Ministers to respond today to the recommendation that *Strategies for Change* be withdrawn as a policy paper and that the Ministers announce the new provincial governments intentions for dealing with long-term care reform.

4.2 Management and Planning Responsibility for Long-Term Care System

As government partners, the municipal sector should also be involved in developing the necessary management and planning structure for reform of the long-term care system. In fact we have just finished discussing a successful precedent for this in the PMSSR process. While that review did not specifically address health services, it did recognize that greater integration

and coordination of health and social services were important objectives.

AMO suggests that to achieve the goals laid out in *Strategies for Change*, the roles and responsibilities for planning and management must be examined and reformed as well. AMO believes that the long-term care reforms must be synchronized with the PMSSR process in order to ensure positive change within the long-term care system.

Special Purpose Bodies

In asserting this, it is with great concern to municipalities that *Strategies for Change* assigns responsibilities for the long-term care system to special purpose bodies. AMO is particularly concerned that district health councils have been given an enhanced role in health and social services and more responsibility for planning long-term care services. This stands in contradiction to the recommendations of the *Report of the PMSSR* for an enhanced planning role and greater management authority for municipalities.

Insofar as municipalities are part-funders of services in the long-term care system, the delegation of responsibilities to district health councils removes some of the municipal council's control over the allocation of funds and planning for services and renders the system less accountable to the public. If municipalities are to be held fiscally accountable then they must have the authority to make decisions for a service. AMO has long argued that the presence of special purpose bodies both interferes with this accountability and the understandability of who is responsible and making decisions for the health and social services system.

Special purpose bodies are not duly elected and accountable to the public; the current structure of DHC's does not incorporate any accountability for policy or funding decisions to an electorate. The Association believes that the proliferation of special purpose bodies reduces the ability of elected officials to establish council priorities and to control municipal expenditures.

In general, AMO's position is that persons elected to municipal office should be responsible for the establishment of local policy and spending of funds and thereby strengthen the elected municipal council as the principle local decision-making administration.

AMO believes strongly that the *Report of the PMSSR's* recommendations for social services planning should be integrated into the long-term care reform strategy. That is, municipal government should be delegated primary responsibility and serve as the *focus* for planning and preparing a community social services plan.

Therefore, AMO strongly recommends that the provincial government should not implement the proposal in *Strategies for Change* for an enhanced role for district health councils. AMO suggests that the proposal to transfer responsibility for the management and planning of the long-term care system to a local authority be examined in consultation with the municipal sector and in the context of the principles and framework of the *Report of the PMSSR*. AMO proposes that the provincial-municipal working group recommended to resolve management issues related to the PMSSR community-based support services envelope serve as the forum for this consultation.

> AMO would like the Ministers today to respond to the recommendations that the province not implement the proposal for an enhanced role for district health councils and that management and planning responsibilities for the long-term care system be resolved in the context of the *Report of the PMSSR*.

4.3 AMO's Specific Recommendations

The following summarizes AMO's main recommendations; in the full response, the Association raises numerous questions which demonstrate that much work and consultation are required to resolve important issues. Some of these are discussed below.

The Cost of the Reformed Long-Term Care System

It is difficult to know how much the new long-term care system will cost. *Strategies for Change* notes that provincial costs in this area now are about $2 billion, and they are expected to increase with the size of the elderly and physically disabled population.

Municipalities are, in general, concerned about what the total cost of this new system could be. It is inferred in *Strategies for Change* that municipalities are expected to continue to be financial partners in a system for which they have insufficient financial information. AMO therefore makes the following recommendation:

RECOMMENDATION # 1 :

The province should undertake a study to determine the projected costs of long-term care reform and provide the information and research data which served as a basis for it's long-term care policy recommendations.

The Future Funding Role of Municipalities

As noted above, *Strategies for Change* infers that municipalities will continue to contribute financially to this system. The future funding role of municipalities in the long-term care system is not clearly stated. As recommended with regards to planning and management responsibility, the Association of Municipalities of Ontario proposes that funding be resolved in the context of the PMSSR process.

RECOMMENDATION # 2 :

The province and the Association of Municipalities of Ontario, through the PMSSR consultation process, should resolve the funding arrangements for the long-term care system.

User-Pay Fees

The new consumer charging policy proposes to continue the present system of consumers paying all, part or none of the service costs depending on their ability to pay. It is aimed at achieving consistency in fees charged in both facilities and community support services and eliminate different user fees between residential and extended care.

AMO in general supports the introduction of user-pay fees in a more rigorous way to help support the costs of the system. The Association though raises several questions about this policy and suggests that further work and consultation on the mechanics of user-pay fees is necessary.

Secondly, the Association notes that if municipalities are involved in cost-sharing long-term care services, then these user-pay fees should go towards offsetting municipal as well as provincial costs. The Association recommends the following:

> **RECOMMENDATION #3 :**
>
> **The Association of Municipalities of Ontario should be consulted on the details of the user pay system. If municipalities are involved in cost-sharing long-term care services, then revenue from user-pay fees introduced in the long-term care system should help to offset municipal as well as provincial costs for this system.**

Long-Term Care Facilities

Municipal Homes for the Aged
Charitable Homes for the Aged
Nursing Homes
Chronic Care

Strategies for Change proposes a new strategy for the coordination of funding policies which would apply to nursing homes, homes for the aged and chronic care. Three kinds of funding are to be provided: nursing and personal care paid according to the level of care a patient receives and based on a classification system; program funding; and accommodation funding. The latter two kinds of funding - program and accommodation - would be funded based on a consistent per diem and up to a predetermined limit. This new funding policy also proposes that the province would not fund a facility's operating deficit. AMO requests further clarification on issues such as the following:

- What will be the financial impact of this new system on municipalities? There is particular concern about the impact on municipalities of the province's new capping formulas for facilities. Municipalities have been moving increasingly into funding 100 per cent of cost over runs as a result of provincial capping.

- If the same funding formula is to be applied to nursing homes and homes for the aged, then will the taxpayer be subsidizing for-profit facilities?

Service Access Organizations

Strategies for Change proposes the institution of a service access organization (SAO) which would provide a clearly identifiable point of access to long-term care services. The SAO would be a one-stop service for access, referral, assessment and service coordination for a community's long-term care health and social services.

The agency would be a single organization which would act as a co-ordinating mechanism. It could be a new or existing community organization, but *Strategies for Change* states that direct service providers would not be able to sponsor the SAO in order to prevent the perception of conflict of interest by consumers. Many municipalities are direct service providers, so if the province continued this condition, it would exclude municipalities from sponsoring the SAO.

AMO understands this may be a necessary barrier for some agencies, but the province must distinguish between a local agency and local government. Municipalities are not agencies; they are another government level and should not be barred from sponsoring the SAO. AMO also suggests that the jurisdictions of the SAO's should be aligned to follow upper tier and/or municipal boundaries.

RECOMMENDATION #4 :

If municipalities continue to have significant responsibilities in this area, then municipalities should be offered the first opportunity to sponsor a service access organization in their communities. If they chose not to accept that opportunity, they then should be partners in determining how the SAO is to be established in their communities.

Facility Placement Committees

Strategies for Change proposes that the service access organization would have a facility placement committee which would be modeled on the Placement Coordination Services now operating in some parts of Ontario. The committee would review all applications for placement in long-term care facilities and would also ensure all community and in-home service options are checked before someone was admitted to a facility. AMO would like to express the following concerns with regards to this committee:

- The committee should not be composed of volunteers but rather staff because of the great amount of time needed to make assessments.
- The new system should respond to individual consumer needs to prevent the erosion of consumer choice.

- The role of local health units in this system should be addressed.

Rest and Retirement Homes

Rest and retirement homes currently provide residence to an estimated 30,000 to 50,000 Ontarians. In 1989, the Advisory Committee on Rest Homes submitted its report *Rest and Retirement: A Report on the Regulation of Residential Care Facilities* to the then Minister of Senior Citizen's Affairs, Mavis Wilson. The report was the result of almost two years of deliberations initiated by the report, *A New Agenda: Health and Social Services Strategies for Ontario's Seniors. A New Agenda* stated that the government should explore all appropriate options to ascertain the most effective means of addressing the rest homes issue and take the necessary steps to ensure that rest homes are subject to appropriate regulation.

Since the submission of *Rest and Retirement* in 1989, no official response has been received from the provincial government. While the *Report of the PMSSR* recommends that municipalities should be given authority to regulate, license and inspect rest homes if they choose to do so, the Association suggests that this should be considered in the context of long-term care reform.

However, *Strategies for Change* excludes rest and retirement homes from the long-term care services system. But, comprehensive reform of long-term care services addresses the need to provide a *continuum of care* from the individual's home to the different institutions. Rest and retirement homes are an important component of this continuum and are a necessary link in the long-term care system. As stated in *Rest and Retirement*, "the issue of rest homes must be viewed within the larger context of the continuum of care and services for Ontarians."

AMO agrees with the new government that provincial regulations are necessary to establish standards of service across the province and therefore the regulation of rest and retirement homes should be a provincial responsibility.

RECOMMENDATION #5 :

The province should include rest and retirement homes as a part of the continuum of care in the reform of the long-term care system.

AMO would like the Ministers today to respond to the recommendation for provincial regulations for and inclusion of rest and retirement homes as part of the long-term care reform.

Physically Disabled

Strategies for Change does not adequately address the needs of the physically disabled. The report states at the beginning that the new long-term care system will address the needs of the physically disabled as well as the elderly. But then the document appears to turn its attention to the elderly, and the needs of the physically disabled are not equally addressed throughout. AMO believes there should be a major consultation with those representing the physically disabled adults who are expected to use this system.

RECOMMENDATION #6 :

The province should conduct a major consultation with those representing the physically disabled adults who are expected to use this system. This consultation should be done both provincially and locally, and it should determine whether this new system is adequate for the physically disabled adults it is supposed to serve. The program should not be implemented for the physically disabled until the province has addressed their concerns.

AMO would like the Ministers to respond today to the recommendation for a major consultation on long-term care services to the physically disabled.

In-Home Services

Home Care Program
Integrated Homemaker Program
Home Support Program (homemaking)
Homemaking and Nurses Services
Outreach Attendant Care

Strategies for Change proposes that all current in-home personal support and professional health-related services be integrated and consolidated into one care and support service program. The report states that a range and volume of in-home services is necessary in order to provide alternatives to institutional care. It is indicated that these services should meet both short and long-term service needs. However, there is little indication as to how this will be implemented and phased-in to ensure that this unified program will be a viable alternative to institutional care. AMO therefore recommends the following:

> **RECOMMENDATION #7 :**
>
> A detailed strategy and cost-benefit analysis should be provided for developing a wider range and volume of in-home services so these will be a viable alternative to institutional care. An implementation and phasing plan should be developed for this unified program.

Community Support Services

Volunteer Programs
Home Support Program
Day Programs
Elderly Persons' Centres

These programs have different policies, funding, eligibility criteria; there are no provincial guidelines, so the availability of service is uneven, there is much duplication, the administration is complex, and the field is very confusing for people who want to access the services.

Strategies for Change states that an overall policy framework will be developed to give coherence to the planning of these services, but that the community should not be unduly constrained. It also adds that a new partnership between community support service providers and government is required in order to develop this critical service.

AMO requests that more information on the plan for developing a more co-ordinated community service system needs to be provided in order to evaluate this strategy.

Funding of In-Home and Community-Support Services

Strategies for Change states that the province has started working on a comprehensive funding program for in-home and community support services. This system is supposed to allow some flexibility within the allocation of in-home and community support service funds.

This new funding system is to have a single local budget which addresses differences in funding across the province and reflects different levels of need for service, and the new plan would use key indicators and community profiles to determine the level of need for community service.

Further information and discussion is required to clarify the role municipalities would have in funding this area; who would administer the funding of in-home services; and how local budgets would be determined.

Informal Caregivers' Support

More information should be provided on strategies to support this group. This is critical because voluntary caregivers provide 80 to 90 per cent of service now. If this group decided to reduce its service even by five per cent it would have a major impact on all other components of the long-term care system.

RECOMMENDATION #8 :

The province should provide more information on strategies to support informal caregivers.

Strategies for Change suggests expanding the respite and day care programs which support informal caregivers. However, other options should be examined, such as better training for informal caregivers, elder-sitting, support for self-help programs, and other aspects of a full range of weekend and evening in-home support which could be accessible on a spontaneous and informal basis. The Province should also consider ways of providing financial incentives for caregivers in the long-term care system.

RECOMMENDATION #9 :

The province should examine a full range of support services for informal caregivers. It should consider such options as better training for informal caregivers, elder-sitting, support for self-help programs, and other aspects of a full range of weekend and evening in-home support which could be accessible on a spontaneous and informal basis.

RECOMMENDATION #10 :

The province should consider ways of providing financial incentives for caregivers in the long-term care system.

Long-Term Care Facilities

Strategies for Change states that the trend of long-term care facilities to increasingly serve people with heavy and complex care needs is likely to continue. Therefore, the goal is to co-ordinate the facilities' planning, policy and funding so that these would operate more efficiently and the existing bed supply would be used in the most effective way possible.

AMO suggests one important issue related to long-term care facilities requires further consideration. *Strategies for Change* infers a "no-growth" in beds policy for long-term care facilities. It is likely that a better developed system of in-home and community support services will reduce the rate of increase in demand for facility beds. However, in some cases, these services will just postpone the admission of individuals who, upon becoming very old and frail, will eventually need institutional care. Also, the growth in the total elderly population and especially frail elderly is expected to continue. Therefore, it is unrealistic to assume that community support and in-home services will result in a zero increase in demand for institutional care.

Specialized Services

Day Hospital Programs
Regional Geriatric Program
Alzheimer Community Support Services
Services for Persons with Sensory Impairments

Specialized services are special services for people who have very complex, severe or unique needs. These services are presently not available in all areas of the province. Further information is required on how these services are to be funded; and, how specialized services are to be integrated into the continuum of long-term care services.

It is important to note that many of the specialized services such as geriatric assessment are useful in the assessment function of the facility placement committees; *Strategies for Change* should include an evaluation of what programs should be included as "basic" specialized services necessary for providing the required assessment functions for the SAO. In addition, it should address how these basic services could be made more readily available on a province-wide basis.

RECOMMENDATION #11 :

The province should review specialized programs to determine how these are to be funded; how they are to be integrated into the continuum of long-term care services; and what programs should be included as basic specialized services necessary for providing the required assessment functions of the SAO and how these can be made more readily available across the province.

Human Resources

Strategies for Change notes that there will be more demand for personnel and they will have to be trained and educated. It states that the system will have to look at new ways to recruit and retain people, the role of registered nurses in the long-term care system, and the need for other professionals to do assessment, planning, supervision, and provision of specialized care. More staff would also be needed in facilities and facility staff would have to have more consulting services to help them with complex care.

In general, AMO would like the province to provide more information on cost implications of these human resource strategies and what the funding implications of these would be for municipalities. AMO would also suggest that more attention should be given to encouraging people to study elder-care in high school and community courses. The provincial ministries involved in this reform should work with the provincial departments which can oversee such promotion.

Areas Not Addressed

Strategies for Change discusses in-home and community support services and long-term care facilities, but it does not address options within the full continuum of care located between in-home care and long-term care facilities. For example, as previously noted, it excludes rest and retirement homes and other alternative forms of housing such as supportive housing arrangements, granny flats, home-sharing, etc.

Strategies for Change does not discuss individual health counselling, rehabilitative services, palliative care, or in-home hospice services. Strategies for Change also does not adequately address health services. In particular, it has excluded information on:

- the relationship between the health promotion - which includes diet, teaching, and help with

medication - which public health units do, and the heavy care components already discussed in the document;
- chronic psychiatric care; and,
- community-based health care - such as outreach clinics - which is provided by physicians and hospitals.

Summary

AMO's response to *Strategies for Change* illustrates that there are many questions and outstanding issues that must be addressed prior to the implementation of a successful reform of the long-term care system. The Association has focused its comments on the two main components of the proposed reform: the reform of long-term care services and the establishment of an integrated health and social services management structure.

AMO has recommended that the proposal to treansfer responsibility for the management and planning of the long-term care system to a local authority be examined in the context of the *Report of the Provincial-Municipal Social Services Review*. In addition, AMO proposes that a consultation process should be established to address the program issues related to the reform of long-term care services that the Association has raised in its response to *Strategies for Change*. The Association would like to work with the provincial government to determine the best format for this consultation.

> AMO would like the Ministers to respond today to the recommendation for a consultation process with municipalities to address the program issues related to the reform of long-term care services.

5 SUMMARY OF AMO'S PRIMARY RECOMMENDATIONS

AMO's Response to the *Report of the PMSSR*

In summary, AMO would like to focus discussion with the Ministers today on the following primary recommendations:

1. **The recommendation that the zero-sum strategy imposed by the previous provincial government on the Provincial-Municipal Social Services Review be rejected thereby acknowledging the potential for a reduction in municipal contributions to social services.**

2. **The recommendations for further consultation on management responsibility for the child care and community-based support services envelopes in the form of two provincial-municipal working groups.**

3. **The recommendation for referral of PMSSR funding issues to a "Next Steps" committee.**

4. **The recommendation for an agreement to proceed on the establishment of an implementation team.**

5. **The proposed initial priorities for the implementation of social services reforms. That is,**

   - **That the provincial government move towards assuming 100% of the costs of income support services as soon as possible.**

   - **That in conjunction with the next provincial budget, the provincial government assume 100% of the funding responsibility for the children's services envelope.**

AMO's Response to Strategies for Change

In summary, AMO would like to focus discussion with the Ministers today on the following primary recommendations:

1. **The recommendation that *Strategies for Change* be withdrawn as a policy paper and that the**

Ministers announce the new provincial governments intentions for dealing with long-term care reform.

2. The recommendations that the province not implement the proposal for an enhanced role for district health councils and that management and planning responsibilities for the long-term care system be resolved in the context of the *Report of the PMSSR*.

3. The recommendation for provincial regulations for and inclusion of rest and retirement homes as part of the long-term care reform.

4. The recommendation for a major consultation on long-term care services to the physically disabled.

5. The recommendation for a consultation process with municipalities to address the program issues related to the reform of long-term care services.

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